

HAMILTON COUNTY BOARD OF COMMISSIONERS
MARCH 3, 2005

The Hamilton County Board of Aviation Commissioners met on Thursday, March 3, 2005 at 6:30 p.m. in the Commissioners Courtroom in the Hamilton County Government and Judicial Center, One Hamilton County Square, Noblesville, Indiana.

Secretary Kim Rauch took Roll Call. A quorum was declared present of Tom Kapostasy, Jon Ogle, Don Silvey and Tim Tolson.

Approval of Minutes

Jon Ogle motioned to approve the minutes of February 3, 2005. Tim Tolson seconded. Motion carried unanimously.

Presidents Report

Metropolitan Airport Update

Tom and Don met with a representative of the Indianapolis International Airport regarding Metropolitan Airport. Their conclusion from the meeting is that in spite of everything that has been in the newspaper, Indianapolis International Airport does not have a detailed plan of what they think should be done with Metro Airport. Their interest in finding potential solutions is higher than it was before. It was clear that they are in the exploratory stage.

Hamilton County Alliance

Dan Montgomery, Brad Beaver and Tom attended a meeting of the Hamilton County Alliance.

Westfield Comprehensive Plan

The first meeting of the Westfield Comprehensive Plan will be held March 7, 2005 and will continue to meet the first Mondays of each month. The meetings will go on for 15 months. Tom is unable to attend the first meeting and encouraged the other board members are to attend.

Public hearings are being held on the widening of S.R. 32 west of US 31 to Springmill Road. This will have an impact on people coming to the airport from the east.

Capital Improvements

Tim stated the Capital Improvement Plan Committee has been meeting.

FAA Funding

Larry Creakbaum informed the committee that we will know in June or July if we are receiving discretionary funds from the FAA. There are some earmarked funds that we may be in the running for. FAA wants to see us buy land with that money. Larry stated the FAA will not program any construction on property where there is not a recorded deed.

2006 Budget

Additional capital projects for the 2006 Budget have been identified.

- Control activity easements, especially north of SR 32. Need to start protecting both ends of the runway. Tim asked if we are allowed to set money aside in the budget towards those goals. We don't know how to pursue air rights and first right of refusal.

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- Discussion on Rule 6. Notice of Intent has been filed. Need to put \$10,000 in 2006 budget to come up to standards for stormwater runoff.
- Security – committee would like to see money in budget for fencing.
- Possible Cumulative Building Fund.
- Airport layout plan. Postpone to 2010, will need \$90,000 in 2010.
- 2/3 of mound system is designed. Mid-States is waiting for a notice to proceed.
- Primary entitlement monies of \$150,000 can be used for land acquisition. REIL lights can be paid from these monies.

Tim asked Brad Beaver and Rick McKinney to attend the next committee meeting to discuss the 2006 budget.

Larry Creakbaum stated there is a possibility of receiving \$1 million grant from the FAA for land acquisition; the application deadline has not been established. The \$1 million grant is a 90%-95% sure bet. Larry stated Mid-States will prepare the application as part of their grant administration services. Reimbursement would come when projects are begun. Mike Howard asked if the \$1 million, under the approved CIP, will fund the first item on the CIP, which is the grading? Larry stated if we are going to do that we will need a deed within the next couple of weeks. Mike stated the deed is prepared and the appraisal bill is being paid. We have targeted local funding to acquire the Beal property in 2006. Are we going to try and use FAA money from the \$1 million? Larry stated Gary Regan expressed his desire that the county use the \$1 million for land acquisition. If we get the deed in a hurry he would push for the grading, but he would prefer we defer that. Mike asked if we could reimburse the county with the land acquisition money? Larry stated you can do whatever you choose. Tom clarified that for 2005 we will use local funding to acquire the Bailey land and then to do the T-Hanger taxiway, the corporate apron, RCO and some of the note payment. Our understanding was that with the Bailey acquisition it was adequate to prepare for the runway safety area grading and glideslope for \$60,060, is there any other land acquisition that is needed for that? Larry stated for the parallel taxiway. Tom stated we were not applying for the parallel taxiway from the FAA in 2005. Larry stated they have not programmed the glideslope or the grading because you do not have a deed to the property. Tom stated Mike is saying that now that we have local funding approval, that within three week, we will be able to consummate that transaction. Larry stated he needs instruction as to what the Board wants to do. Larry stated this is from the 2005 CIP, which was submitted last year. Tom stated we have two CIP's that are overlapping, one filed last year and the one approved at the last meeting. Larry stated the FAA will support you in whatever program you want to do, they would prefer you buy land but that does not mean you have to. You may have \$900,000 coming this year and \$900,000 coming next year. Mike asked if we get \$1 million can we use that money for the grading project if we have a deed? Larry stated yes. Mike asked knowing we have the Beal project acquisition programmed with local money in 2006, would it be the smart thing to get the Beal land so next year we are in line for the parallel taxiway? Larry stated yes. Tom stated our priorities would be the \$60,060 for the runway, \$210,000 for land acquisition for the taxiway and then \$70,000 for the mound system and then whatever else is available to get us to the \$1 million. Mike asked if it would be appropriate, as part of the land acquisition plan that we start legal descriptions on the property to the north and start buying air rights? Larry stated yes, we need to get those descriptions done. Larry stated he needs to be given a list of projects that the Board wants done to spend the \$1 million. He needs to know the order so he can negotiate with the FAA on the county's behalf. Is the grading project your

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number one priority? Tom stated yes. Number two is the Beal acquisition. Number three could be the design of the parallel taxiway. Brad stated don't forget the reimbursement to the county. Larry stated the easy way to spend the excess money is to pay towards the \$4 million acquisition costs. Jon asked if this \$1 million is in addition to the monies we have targeted on our CIP? Mike stated the CIP plan we approved last month, with local money, and then we authorized Larry to rearrange the priorities in our CIP plan. Jon stated he needs to see a revised CIP. Don stated should it be revised or put a schedule together with the CIP? Tom stated we want to be able to show consistency. Now the FAA is concerned that we do not have deeds on some of the land needed for our projects and they are encouraging us to do land acquisition. What we scheduled in 2005 was the \$100,000 note payment, \$30,000 for fees for the Bailey acquisition, the T-Hanger taxiway, corporate apron and RCO will be exactly as planned. We put all of our projects into our CIP. What is different is that the FAA is concerned that for the #2 project of the partial parallel taxiway we don't own the land. We have that slated to come from local funding in 2006. We are talking about taking that project, which is in the CIP as #13, and move it up to priority #2. Our instructions to Larry would be to keep project #1 - glideslope for \$660,000; #2 - Beal land acquisition for taxiway for \$210,000; #3 - partial parallel taxiway and carve out the engineering design; #4 - acquiring land. The only change is that we are moving the land acquisition from 2006 local funding to FAA funding in 2005. Larry stated they will not put the Beal property in the grant unless you have appraisals and a purchase agreement. Mike asked Larry to get the legal description to him as soon as possible.

Tim motioned to approve, from the 2005 CIP, #1 priority the runway glideslope, #2 land acquisition for parallel taxiway, #3 design engineering for taxiway. If there are additional funds they will go toward acquiring existing land. Jon seconded. Motion carried unanimously. Brad clarified that this motion does not take into account any of the TIF money? Don stated correct, the 2005 TIF money stands as is.

Larry asked where will the 2.5% local match come from? Tom stated we have an operating fund where the money could be appropriated from.

TIF Funding Plan

Mike reviewed the Thomson TIF Funding Plan, which has been approved by the Hamilton County Commissioners and the Hamilton County Redevelopment Commission. The TIF Funds in the amount of \$867,000, will be deposited into the Airport Redevelopment Capital Fund. The \$393,000 is the projected tax increment that will come in June 2005. We will ask the council to appropriate \$100,000 towards the note payment, \$30,000 towards Bailey acquisition, \$260,000 toward corporate hanger taxiway, \$220,000 towards corporate hanger apron and \$75,000 for RCO. The \$300,000 will be de-appropriated that is in the 2005 budget for payment on Ray VanSickle's note. Brad asked how does \$100,000 replace \$300,000? Howard stated we are only required to have the note paid off by June 2008. Brad stated you are planning on paying \$674,000 in 2007 to Ray? Mike stated yes. Brad stated the council will not do a blanket appropriation. We will only give you what you need immediately. Mike suggested that Mid-States be given permission to move forward with design as soon as the State approves the appropriation in April. The contract can be approved subject to funding. Brad asked what happens to the CIP projects if the money does not come from the FAA. Mike stated nothing, everything moves back one year until the TIF funds are available. Tim motioned to authorize Mike Howard to work with the county council agenda on April 13th for appropriation. Jon seconded. Project priorities are: #1 -

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Bailey land acquisition; #2 – corporate hanger apron; #3 -T-hanger taxiway; #4 - RCO; #5 - note payment. Motion carried unanimously.

Larry stated a wage determination hearing will have to be held. Mike will add the airport projects to the upcoming highway department wage committee hearing.

Jon asked that all documents on the TIF funding plan have a date put on them.

Work Sessions

Work sessions will be added to the meeting agendas for 6:00 p.m. for discussion of the 2006 budget and CIP. Mid-States, the Board and council liaisons are invited to attend.

Hamilton County Visitors and Convention Bureau

Tim stated the Hamilton County Visitors and Convention Bureau will meet on the 2nd Thursday in April. Dan and Tim will attend.

Finance, Planning and Administration Committee

Tom asked if the demolition project has been paid? Kim stated it has been paid out of Fund #114. Fund #114 has a to-date balance of \$46,000.

Tom asked what are the encumbered funds in Fund #504 for? Kim stated that is 2004 monies to be used for environmental clean-up. Tom asked what are the encumbered funds in County General #101 for? Kim stated those funds are for appraisals and for environmental clean-up. Mike stated if that money is not used for the clean-up it will be given back to the seller. REILS lights will be paid from Fund #114.

Tim motioned to approve the payment of the REIL lights out of Fund #114. Jon seconded. Motion carried unanimously.

Indianapolis Executive Airport

Dan Montgomery stated the REIL lights were finished today. There were some wiring problems at the north end. Montgomery's will pay the extra expense from the operating account.

Rotating Beacon went bad. Michiana Contracting gave us a replacement beacon and it was installed today. There will be some expense for the installation.

Dan presented the minimum construction standards for the Board's approval. Jon stated in reading the latest AOPA magazine a pilot has had to give up his hanger due to the rising costs of rental fees. Hangers are being rented as storage garages. Jon asked if we have anything in our agreements that states hangers are to be used for airplanes only? Dan stated the airport minimum standards states that. Jon motioned to adopt the amendment to the minimum standards. Don stated he has a couple of questions and he would like the opportunity to ask Dan. Jon withdrew his motion.

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Memorandum of Release

The last Memorandum of Release has been signed to clean up the title work. Dan will have it recorded tomorrow.

Small Capital Spending List

Dan would like to discuss the small capital spending list. Tom stated that will be discussed during future work sessions.

Airport Parts Company

Tom asked if the airport parts company has expressed any further interest in renting a hanger? Dan stated he has a copy of the lease agreement, but we would have to request a special exception for zoning. Mike stated the parts building is not our primary purpose. If Metropolitan Airport does close, we could run out of hanger space very rapidly. Consensus of board was that there is no need to entice this tenant.

Performance Audit

Andrea Montgomery stated the Performance Audit is complete. There were two problems. The asset sheet should show a zero balance because we closed the account at the end of the year. There were two checks written to the Knox Company for key codes, one check has never been cashed. An under payment for ramp parking in July occurred in the amount of \$380. That check has been written and deposited back in to the operating account.

Income Statement

Andrea presented the Income Statement. All payables and revenue streams have been accounted for.

Dispatchers Annual Conference

Andrea and Dan attended the Dispatchers Annual Conference. They advertised Montgomery Aviation as well as Indianapolis Executive Airport. They made several national and international contacts.

Security Update

Matt Evans presented a final draft of the security procedures for Indianapolis Executive Airport for the commissioners to review for final approval at the next meeting. Ogle asked if this complies with the new requirements? Evans stated yes. Hamilton County law enforcement has strongly encouraged the installation of security cameras at both gates that are tied into a computer system, not a video system. This is an item the Montgomery's will look at including in the 2006 budget.

Mid-States Engineering

T-Hangers

Tom asked what is the plan for taking down the existing T-Hangers, A, B & C? Larry stated A & B are in the runway protection zone and they will be taken down as an obstruction removal project for a CIP project for federal funding. The last building to the west, half of the building will come down in the apron expansion project.

Beaver stated he has requested new updated drawings from Mid-States Engineering of the airport for the Council Chambers.

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Old Business [8:02:09]

Airport Name

Tom stated at the last meeting the Board passed a motion stating that the Board of Aviation will work diligently and expeditiously to develop the best name and method to recognize Hamilton County's ownership of Indianapolis Executive Airport that is acceptable to the FAA and Hamilton County Commissioners. In the last month he has communicated with the Montgomery's and board members. He has summarized his discussions and presented a summary. Tom stated his conclusion is that the county would be best served by maintaining the current approach – Indianapolis Executive Airport Owned and Operated by Hamilton County. The second best approach would be to shorten the name to Indianapolis Executive and then create a tag line such as Hamilton County's Aviation Center or Hamilton County's Airport. Tom asked the board to review his summary for discussion at the next meeting.

New Business [8:04:37]

Newspaper Advertisement

Tim thanked the Montgomery's for their full page advertisement that appeared in the Indianapolis Star.

Legal Counsel Report

Claims

Mike stated the appraisal for the Bailey land was encumbered from the 2004 budget at \$3,300. The actual billing is \$2,437.50. Mike requested approval of the claim. Jon motioned to approve. Don seconded. Motion carried unanimously.

Property Tax Bills

Kapostasy asked Howard if there is anything else that needs to be done to get the address change for the Boone County Property Tax bills? Howard stated those have been transferred but he will check on it.

Cinergy Bill

Kapostasy asked Howard what the status was of the Cinergy bill? Howard stated it has been resolved and the claim should be before the Board at its next meeting.

Next Meeting

Tom stated he will not be able to be here at the April 7th meeting and proposed changing the meeting to April 6, 2005 at 6:00 p.m. The Board agreed.

Comments

Jon commended the Montgomery's on their ad in the new AOPA directory.

Jon stated on a recent trip he took around the country he stopped at an airport in Fredericksburg, Texas. Due to the influx of federal dollars they were able to promote the airport's new facilities to local investors and a developer has built a new hotel at the airport. Jon stated the airport manager asked if Indiana was a Block Grant State, which we are not. Jon is going to check in to Block Grants and why we are not a Block Grant State.

Tim motioned to adjourn. Jon seconded. Motion carried unanimously.

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Present

Tom Kapostasy, Commissioner
Jon Ogle, Commissioner
Don Silvey, Commissioner
Tim Tolson, Commissioner
Michael A. Howard, Attorney
Brad Beaver, Council Liaison
Rick McKinney, Council Liaison
Larry Creakbaum, Mid-States Engineering
Mike Evans, Mid-States Engineering
Luke Reynolds, Mid-States Engineering
Dan Montgomery, Montgomery Aviation
Andrea Montgomery, Montgomery Aviation
Carl Winkler, Montgomery Aviation
Matt Evans, Montgomery Aviation
John Garzon, Visitor
Jay Garzon, Visitor
Kim Rauch, Secretary

APPROVED

Tom Kapostasy, President

Date _____

ATTEST

Kim Rauch, Secretary

Date _____